

SENATE BILL 2561

By Cooper

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 29; Title 4, Chapter 3; Title 62, Chapter 37 and Title 62, Chapter 6; and to repeal Tennessee Code Annotated, Section 62-37-116 and Section 62-37-117, relative to the home improvement commission.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 62-6-104(a), is amended by deleting subdivision (1) in its entirety and by substituting instead the following:

(1) There is created a state board for licensing contractors, hereinafter called the "board", to be appointed by the governor. The board shall be composed of eleven (11) members, all of whom shall be residents of this state and at least three (3) of whom shall be actively engaged as residential contractors, and one (1) of whom shall be a home improvement contractor, and who shall compose the residential review board to consider matters pertaining to residential construction, other than those matters requiring notice and an opportunity for a hearing pursuant to title 4, chapter 5; at least two (2) of whom shall be actively engaged as commercial building contractors; at least one (1) of whom shall be actively engaged as a mechanical contractor; at least one (1) of whom shall be actively engaged as an electrical contractor; at least one (1) of whom shall be actively engaged as a highway, railroad, or airport contractor; and at least two (2) of whom shall be public members who are not engaged as a contractor in any county of this state. All board members who are required to be in the business of contracting shall have been actively engaged in the business for a period of not less than ten (10) years immediately preceding their appointment and shall be licensed in the classification in which such member is serving on the board. There shall be no more than one (1) board member in

any specific classification, provided above residing within any one (1) grand division of this state, and no more than four (4) board members residing in any one (1) grand division. In making appointments to the board, the governor shall strive to ensure that at least one (1) person serving on the board is sixty (60) years of age or older and that at least one (1) person serving on the board is a member of a racial minority.

SECTION 2. Tennessee Code Annotated, Section 62-6-105(a)(2)(B), is amended by deleting the subdivision in its entirety and by substituting instead the following:

(B) Subdivision (a)(2)(A) does not apply to the public members who are not engaged in the business of contracting.

SECTION 3. Tennessee Code Annotated, Section 62-6-109, is amended by deleting subsection (d) in its entirety and by substituting instead the following:

(d) A majority of the members of the board shall constitute a quorum at a board meeting.

SECTION 4. Tennessee Code Annotated, Section 62-37-103, is amended by adding the following as a new, appropriately designated subdivision:

( ) "Board" means the state board for licensing contractors, created by § 62-6-104;

SECTION 5. Tennessee Code Annotated, Section 62-37-103, is amended by deleting subdivisions (3) and (4) and renumbering subsequent subdivisions accordingly.

SECTION 6. Tennessee Code Annotated, Title 62, Chapter 37, is amended by deleting the word "commission" wherever it appears and substituting instead the word "board".

SECTION 7. Tennessee Code Annotated, Section 62-37-106(c), is amended by deleting the word "commissioner's" and substituting instead the word "board's".

SECTION 8. Tennessee Code Annotated, Section 62-37-115, is amended by deleting the section in its entirety and substituting instead the following:

In addition to the powers and duties elsewhere prescribed in this chapter, the board may:

- (1) Examine the qualifications and fitness of applicants for licenses under this chapter;
- (2) Keep records of all licenses issued, suspended, or revoked. These records shall be open to the public for inspection during regular business hours;
- (3) Adopt such rules and regulations not inconsistent with the provisions of this chapter as may be necessary with respect to the form and content of applications for licenses, the reception thereof, the investigation and examination of applicants and their qualifications, and all other matters incidental or appropriate to the board's powers and duties as prescribed by this chapter and for the proper administration and enforcement of the provisions of this chapter, and to amend or repeal any of such rules and regulations;
- (4) Receive complaints from the public regarding home improvement contractors, and maintain records of such complaints.

SECTION 9. Tennessee Code Annotated, Sections 62-37-116 and 62-37-117, are repealed.

#### SECTION 10.

(a) All staff, staff positions, offices, equipment, supplies, property, funds, and other resources of the home improvement commission shall be transferred to the board for licensing contractors.

(b) Any reference to the home improvement commission shall be deemed to be a reference to the board for licensing contractors.

(c) The code commission is directed to change references from "the home improvement commission" and substituting instead the language "the board for licensing

contractors” as sections affected are amended and supplements are published or as Volume 10C is replaced.

SECTION 11. Tennessee Code Annotated, Section 4-29-229(a)(32) is amended by deleting the subdivision in its entirety.

SECTION 12. It is the intent of the general assembly that the rules of the state board for licensing contractors and the home improvement commission shall be deemed to be the rules of the state board for licensing contractors created by this act.

SECTION 13. It is the intent of the general assembly that the state board for licensing contractors created by this act shall examine its laws and suggest necessary amendments for the effective administration of its licensing programs.

SECTION 14. For the purpose of making appointments, this bill shall take effect immediately upon becoming law, the public welfare requiring it. For all other purposes, this bill shall take effect on January 1, 2007. Notwithstanding the provisions of Section 4-29-112 or any other law to the contrary, it is the intent of the general assembly that the home improvement commission created by Section 62-37-116 shall terminate and cease all activities on December 31, 2006.